

PROGRAM MEASURES

PROGRAM:

Treasury Operations

PROGRAM ELEMENT:
PROGRAM MISSION:

Timely and efficient management of County investments and cashiering functions, maximization of revenues from short-term debt, and effective management of the County's relationship with the banking community

COMMUNITY OUTCOMES SUPPORTED:

- Ensure high value for tax dollars
- Ensure accountability
- Insist upon customer satisfaction

PROGRAM MEASURES
98 ACT
99 ACT
00 ACT
01 BUD
02 REC
Outcomes/Results:

Average rate of return on County investments (%)	5.6	5.1	5.7	5.8	5.0
Difference between the County's rate of return and the industry benchmark (basis points) ^a	40	40	70	60	50
Interest earned on investments (\$000)	41,819	44,734	55,003	51,593	51,013

Service Quality:
Efficiency:

Cashier transactions per workyear (000)	143	155	181	200	200
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Outputs:

Number of cashier transactions (000)	715	620	724	800	800
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Inputs:

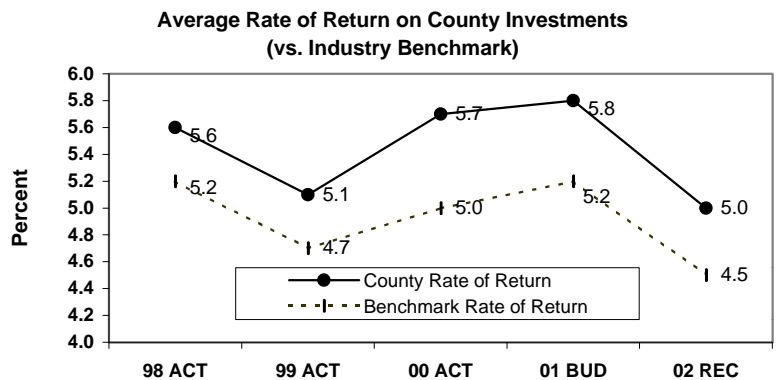
Personnel expenditures (\$000) ^b	565	674	702	594	618
Workyears ^b	11.8	10.9	11.7	9.1	8.9
Cashier workyears	5.0	4.0	4.0	4.0	4.0

Notes:
^aBasis points are equal to the percentage point difference times 100.

^bOperating expenses are included under Administration. FY00 is higher due to the addition of staff to provide administrative support for collection of the County Tobacco Tax. In FY01 and FY02, expenditures and workyears are expected to fall due to the transfer of positions to other Treasury Division programs, elimination of Tobacco Tax administrative support, and other adjustments.

EXPLANATION:

The County has consistently realized a greater rate of return than a comparable industry benchmark with a similar investment structure, the IBC Taxable Money Fund Index. The IBC Taxable Money Fund Index was chosen as a benchmark because, like the County, the Index encompasses about 850 different fund portfolios. The County's average rate of return is between 40 and 70 basis points higher than the industry benchmark. (A basis point is an interest rate of one hundredth of one percent.) The County's return on investment reduces the amount of tax revenues needed to support County programs.



PROGRAM PARTNERS IN SUPPORT OF OUTCOMES: County departments and agencies that participate in pooled investments.

MAJOR RELATED PLANS AND GUIDELINES: Montgomery County Code and Investment Policies.